

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

GTECH CORPORATION,

Plaintiff,

v.

C.A. No. 04-138-JJF

SCIENTIFIC GAMES INTERNATIONAL,
INC., SCIENTIFIC GAMES HOLDINGS
CORPORATION, SCIENTIFIC GAMES
FINANCE CORPORATION, and
SCIENTIFIC GAMES CORPORATION,

Defendants.

**DEFENDANTS' MOTION FOR PROTECTIVE ORDER TO PRECLUDE
PLAINTIFF FROM DISCLOSING SCIENTIFIC GAMES'
CONFIDENTIAL INFORMATION TO J. KENT LOWMAN**

Pursuant to paragraph 7(c) of the Stipulated Protective Order (D.I. 26), defendants Scientific Games International, Inc., Scientific Games Holdings Corporation, Scientific Games Finance Corporation, and Scientific Games Corporation (collectively, "Scientific Games") move to preclude plaintiff GTECH Corporation ("GTECH") from disclosing Scientific Games' Confidential Information to J. Kent Lowman.

1. GTECH notified Scientific Games on June 9, 2005, that it intends to disclose Scientific Games' Confidential Information to Mr. Lowman under the Stipulated Protective Order (Ex. A).

2. In his resume, Mr. Lowman claims that he "[h]ad total responsibility for all hardware and software design for the leading supplier of ITVM's for over 10 years,"¹ and that

¹ Mr. Lowman is presumably referring to Interlott Technologies, Inc., which is now part of GTECH. Scientific Games and GTECH are competitors in the market for ITVMs.

he has “[o]ver 14 years of design experience with lottery products including Instant Ticket Vending Machines . . .” (Ex. A).

3. On June 16, 2005, Scientific Games asked GTECH whether Mr. Lowman was still designing instant ticket vending machines (“ITVMs”) for Interlott or GTECH. GTECH responded that it continues to consult with Mr. Lowman concerning its ITVMs: “GTECH from time to time requests technical support information from Mr. Lowman regarding existing machines . . .” (Ex. B).

4. Because Mr. Lowman is still consulting with GTECH and providing technical support information for its ITVMs, Scientific Games objected to GTECH disclosing Scientific Games’ Confidential Information to Mr. Lowman (Ex. C).

5. Permitting Mr. Lowman to have access to Scientific Games’ Confidential Information concerning, *inter alia*, the design of Scientific Games’ PlayCentral machine at the same time that Mr. Lowman is consulting with GTECH concerning the design of GTECH’s competing ITVMs would put the confidentiality of Scientific Games’ Confidential Information at risk and potentially cause Scientific Games significant competitive harm. *See Safe Flight Instrument Corp. v. Sundstrand Data Control Inc.*, 682 F. Supp. 20, 22 (D. Del. 1988) (“[A]ccepting that Mr. Greene is a man of great moral fiber, we nonetheless question his human ability during future years of research to separate the applications he extrapolated from Sundstrand’s documents from those he develops from his own ideas.”); *see also Litton Indus., Inc. v. Chesapeake & Ohio Ry Co.*, 129 F.R.D. 528, 531 (E.D. Wis. 1990) (“[O]nce an expert has digested this confidential information, it is unlikely that the expert will forget. . . . If the expert is called upon two years after this litigation to assist a potential competitor . . . , will he really be

able to compartmentalize all he or she has learned and not use any of the information obtained from Bay?").

CONCLUSION

6. Scientific Games requests that the Court enter an order precluding GTECH from disclosing Scientific Games' Confidential Information to Mr. Lowman.

MORRIS, NICHOLS, ARSHT & TUNNELL

/s/ Rodger D. Smith II

Jack B. Blumenfeld (#1014)

Rodger D. Smith (#3778)

Morris, Nichols, Arsht & Tunnell

1201 N. Market Street

P.O. Box 1347

Wilmington, DE 19899

(302) 658-9200

rsmith@mnat.com

Attorneys for Defendants

June 23, 2005

471199

RULE 7.1.1. CERTIFICATE

I hereby certify that the subject of the foregoing motion has been discussed with counsel for the plaintiff, and that it has not been resolved.

/s/ Rodger D. Smith II
Rodger D. Smith II (#3778)

EXHIBIT A



Larissa A. Soccoli
Direct 212.908.6449
lsoccoli@kenyon.com

One Broadway
New York, NY 10004-1007
212.425.7200
Fax 212.425.5288

June 9, 2005

By Facsimile

Rodger D. Smith, Esq.
Morris, Nichols, Arsht & Tunnel
1201 North Market Street
P.O. Box 1347
Wilmington, DE 19899-1347

Re: GTECH Corp. v. Scientific Games International, Inc., et al.
(D. Del. C.A. No. 04-138-JJF)

Dear Rodger:

Pursuant to paragraph 7 of the *Stipulated Protective Order* entered in this case, enclosed please find a copy of the signed Undertaking for Kent Lowman and his *curriculum vitae*.

Sincerely,

A handwritten signature in black ink, appearing to read 'Larissa A. Soccoli'. The signature is fluid and cursive, with a large initial 'L'.

Larissa A. Soccoli

Encls.

cc: Josy Ingersoll, Esq.

EXHIBIT A**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

GTECH CORPORATION,

Plaintiff,

v.

C.A. No. 04-138-JJF

SCIENTIFIC GAMES INTERNATIONAL,
INC., SCIENTIFIC GAMES HOLDINGS
CORPORATION, SCIENTIFIC GAMES
FINANCE CORPORATION, and
SCIENTIFIC GAMES CORPORATION,

Defendants.

I, Kent Lowman hereby declare that:

1. I have carefully read and understand the foregoing Protective Order (the "Order") of the United States District Court for the District of Delaware, in the above-captioned matter.
2. I agree that I will be bound by and will comply with all of the provisions of this Order and I will make no disclosures of Confidential Information to any person who is not permitted to have access to such Confidential Information by this Order, as applicable.
3. Upon final determination of this action, I will destroy all Confidential Information received by me within sixty (60) days after filing of the final order, or I will return such Confidential Information within sixty (60) days to the Designating Party. If I destroy such Confidential Information, I agree to send a letter to the Designating Party confirming the same.
4. I understand that a violation of this Undertaking is punishable as a contempt of court and hereby submit to the jurisdiction of this Court for the purpose of enforcement of this Order.

5. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on: May 31, 2005

[signature] Kent Lowman

Kent Lowman

(print or type name)

Title: Director

Business Affiliation: Future Designs, Inc.

Address: 2702 Triana Boulevard SW

Phone: 256 883 1240 Huntsville, AL 35805
ext 22

J. KENT LOWMAN

PRESENT ADDRESS

1712 Drake Ave
Huntsville, Alabama 35802
Telephone: (256) 883-1680

BUSINESS ADDRESS

2702 Triana Boulevard
Huntsville, Alabama 35805
Telephone: (256) 883-1240

PROFESSIONAL EXPERIENCE

Future Designs, Inc. (1989 to Present)

President: Direct and manage a technical staff involved in hardware, software, and systems design and development for a variety of customers. Over 20 years of experience with electro mechanical control systems, motors, sensors and card stock (including bursters and fan fold tickets). Experience includes standard DC and AC motors and various types of Brushless DC Motors for both consumer and industrial applications. Have designed and/or managed the design of hundreds of successful products. Founded FDI in 1989 and have overall technical responsibility for all designs and products produced over the last 16 years.

Over 14 years of design experience with lottery products including Instant Ticket Vending Machines (ITVM's) and PullTab dispensers. Had total responsibility for all hardware and software design for the leading supplier of ITVM's for over 10 years. Also have experience with Phone Card dispensers and Smart Card Dispensing Machines, including an SCDM that was used by VISA at the Atlanta Olympics.

Communications experience in both the WAN and LAN markets includes modems, xDSL, ADSL, HDSL, and Ethernet products from 10/100 through Gigabit Ethernet. Have managed multiple RF designs including cellular, GPS and VHF/UHF radios.

Philips Semiconductors/Signetics Company (1988 to 2000)

Held various positions including Field Applications Engineer, Technical Marketing and Senior Technologist: Product and technical support, strategic customer relationships and joint product development for a \$500M product line focused on embedded microcontrollers/microprocessors. Published Application Notes and technical literature. Experienced with definition and design of semiconductor products for high volume markets.

Responsible for joint development of an embedded microcontroller containing a four channel synchronous/asynchronous communications controller, DMA, DRAM Control and complete Memory Management. Also reviewed and negotiated tool support agreements for software compilers, RTOS and communication library drivers for the product family.

SCI Systems Inc (1982 to 1988)

Held various technical positions cumulating with Project Engineer: Had full technical responsibility for development of a Dual Frame Storage Unit for the Cable TV environment. This included management of all engineering and software personnel assigned to the project. Provided continuing support for several production programs and was active in proposal work and quotes for new projects.

Designed and implemented an 80188, microprocessor based controller for a high-speed printer. Design utilized a programmable custom state machine for DRAM timing and system control. Multiprocessor system involved simultaneous high-speed bi-directional communications. Responsible for all phases of hardware design as well as software functionality.

Designed and developed complete hardware for an intelligent ASCII Terminal. This included evaluation and selection of components as well as software emulation of board level circuits.

Designed the hardware and test software for a microprocessor based desktop workstation. Also did analysis and correction of failures on microprocessor based business machines and development of test equipment and software for manufacturing support.

HONORS AND ACTIVITIES

The work referenced above resulted in six U.S. design patents 5,091,738 ; 5,019,841 ; 5,012,261 ; 4,980,704 ; 4,958,171 ; 4,851,864 .

Tau Beta Pi - Engineering Honor Society, Eta Kappa Nu - Electrical Engineering Honor Society, IEEE - Institute of Electrical and Electronic Engineers.

EDUCATION

University of Alabama in Huntsville (May 1985)
Bachelor of Science in Engineering, Electrical and Computer Engineering Option

EXHIBIT B

Rodger D. Smith

From: Ringel, Douglas [DRingel@kenyon.com]
Sent: Thursday, June 16, 2005 2:30 PM
To: Rodger D. Smith
Subject: Kent Lowman

Dear Rodger,

In response to your question, although he did so in the past, Mr. Lowman is not currently doing any design or research and development concerning ITVM's. GTECH from time to time requests technical support information from Mr. Lowman regarding the existing machines with which Mr. Lowman is familiar, but Mr. Lowman is not presently involved with any design of ITVM's, and he has no plans to do so.

We trust that this satisfies any issue with respect to Mr. Lowman.

Best regards,
Doug

Douglas E. Ringel, Esq.
Kenyon & Kenyon
1500 K Street, N.W.
Washington, D.C. 20005
Tel: (202) 220-4225
Fax: (202) 220-4201

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EXHIBIT C

Rodger D. Smith

From: Rodger D. Smith
Sent: Thursday, June 16, 2005 6:12 PM
To: 'Ringel, Douglas'
Cc: Jack B. Blumenfeld
Subject: RE: Kent Lowman

Tracking: **Recipient** **Delivery**
 'Ringel, Douglas'
 Jack B. Blumenfeld Delivered: 6/16/2005 6:12 PM

Doug,

Unfortunately, this additional information only heightens our concerns about Mr. Lowman having access to Scientific Games' Confidential Information. Mr. Lowman's resume states that he "[h]ad total responsibility for all hardware and software design for the leading supplier of ITVM's for over 10 years." We now understand from your email below that Mr. Lowman is still consulting with GTECH and providing technical support information for ITVM's. Permitting Mr. Lowman to have access to Scientific Games' Confidential Information concerning, *inter alia*, the design of the PlayCentral machine at the same time that Mr. Lowman is consulting with GTECH concerning the design of its ITVM's is unacceptable, and will put the confidentiality of Scientific Games' Confidential Information at risk and cause Scientific Games competitive harm. Thus, pursuant to paragraph 7(c) of the Protective Order in this case, Scientific Games objects to the disclosure of its Confidential Information to Mr. Lowman.

Please call me at your convenience to discuss this matter further.

Best regards,
Rodger

-----Original Message-----

From: Ringel, Douglas [mailto:DRingel@kenyon.com]
Sent: Thursday, June 16, 2005 2:30 PM
To: Rodger D. Smith
Subject: Kent Lowman

Dear Rodger,

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We trust that this satisfies any issue with respect to Mr. Lowman.

Best regards,
Doug

Douglas E. Ringel, Esq.
Kenyon & Kenyon
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6/23/2005

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6/23/2005

CERTIFICATE OF SERVICE

I, Rodger D. Smith II, hereby certify that on June 23, 2005, I caused to be electronically filed Defendants' Motion To Preclude Plaintiff From Disclosing Scientific Games' Confidential Information to J. Kent Lowman with the Clerk of the Court using CM/ECF, which will send notification of such filing(s) to the following:

Josy W. Ingersoll
Young, Conaway, Stargatt & Taylor, LLP
The Brandywine Building
1000 West Street, 17th Floor
P.O. Box 391
Wilmington, DE 19899

and that I caused copies to be served upon the following in the manner indicated:

BY HAND

Josy W. Ingersoll
Young, Conaway, Stargatt & Taylor, LLP
The Brandywine Building
1000 West Street, 17th Floor
P.O. Box 391
Wilmington, DE 19899

BY FEDERAL EXPRESS

Thomas J. Meloro, Esquire
Kenyon & Kenyon
One Broadway
New York, NY 10004

/s/ Rodger D. Smith II
Rodger D. Smith II (#3778)
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